

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of)	CA 03-02
)	
FUKUNAGA & ASSOCIATES, INC.)	
and Royce S. Fukunaga,)	
)	
Respondents.)	
_____)	

CONCILIATION AGREEMENT

On or around November 2002, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of Respondents, Fukunaga & Associates, Inc., and Royce S. Fukunaga (herein referred to as "Fukunaga"). Business Registration Division records show that the purpose of the business is to engage generally in the business of civil engineering and all other related enterprises, whose business address is 1388 Kapiolani Blvd., 2nd Floor, Honolulu, Hawaii. Fukunaga lists officers as follows:

Royce S. Fukunaga	President;
Jon T. Muraoka	Treasurer;
Jon K. Nishimura	Vice-President; and

prior to 2001; Stanley S.Y. Young was also a vice-president of Fukunaga. The investigation was initiated pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, Fukunaga and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondents and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondents pursuant to section 11-216(g), HRS.
- III. That Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondents waive the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondents enter into this Agreement with the Commission on their own volition and with full knowledge and understanding.
- VI. The Commission alleges as follows:
 1. On or around November 2002, Robert Y. Watada, in his capacity as Executive Director of the Campaign Spending Commission, and upon information received through the disclosure statements of the Harris 2000 Campaign Committee ("Harris"), the Ben Cayetano campaign committee ("Cayetano"), the Mazie Hirono campaign committee ("Hirono"), and the Kimo Apana campaign committee ("Apana"), initiated an investigation involving contributions in violation of the campaign statute.
 2. Section 11-204(a)(1)(B), HRS reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any

other entity shall make contributions to:...A candidate seeking nomination or election to a four-year statewide office or to the candidate's committee in an aggregate amount greater than \$6,000 during an election period.

3. Section 11-204(a)(1)(C), HRS, reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.
4. Section 11-202, HRS reads in part as follows: No person shall make a contribution of the person's own money or property, or money or property of another person to any candidate, party, or committee in connection with a nomination for election, or election, in any name other than the true name of the person who owns the money or who supplied the money or property.
5. Sections 11-212 and 11-213, HRS require a committee to file proper disclosure reports with the Commission.
6. Fukunaga, employees and family members made contributions to Harris from 1997 through 2001 totaling \$45,750.
7. On or about September 20, 1997, Jane Fukunaga, wife of Royce Fukunaga, made a contribution to Harris in the amount of \$2,000.

8. On or about September 20, 1997, Sara F. Muraoka, wife of Jon T. Muraoka, made a contribution to Harris in the amount of \$2,000.
9. On or about September 20, 1997, Cynthia Nishimura, wife of Jon Nishimura made a contribution to Harris in the amount of \$2,000.
10. On or about September 20, 1997, Jennifer S. Young, daughter of Stanley S.Y. Young, made a contribution to Harris in the amount \$500.
11. On or about September 20, 1997, Stanley S.Y. Young made a contribution to Harris in the amount of \$500.
12. On or about November 19, 1997, Royce Fukunaga made a contribution to Harris to in the amount of \$2,000.
13. On or about November 19, 1997, Jon T. Muraoka made a contribution to Harris in the amount of \$2,000.
14. On or about November 19, 1997, Jon Nishimura made a contribution to Harris in the amount of \$2,000.
15. On or about November 19, 1997, Stanley S. Y. Young made a contribution to Harris in the amount of \$2,000.
16. On or about June 1, 1999, Fukunaga made a contribution to Harris in the amount of \$750.
17. On or about June 1, 1999, Fukunaga made a contribution to Harris in the amount of \$3,250.
18. On or about June 5, 1999, Jon Nishimura made a contribution to Harris in the amount of \$750.

19. On or about December 18, 1999, Jon T. Muraoka made a contribution to Harris in the amount of \$2,000.
20. On or about December 18, 1999, Sara F. Muraoka, wife of Jon T. Muraoka made a contribution to Harris in the amount of \$2,000.
21. On or about December 18, 1999, Cynthia Nishimura, wife of Jon Nishimura made a contribution to Harris in the amount of \$2,000.
22. On or about December 18, 1999, Jon Nishimura made a contribution Harris in the amount of \$1,000.
23. On or about December 18, 1999, Lawrence S. Young, son of Stanley S. Y. Young, to Harris in the amount of \$1,000.
24. On or about December 18, 1999, Stanley S. Y. Young made a contribution to Harris in the amount of \$1,000.
25. On or about September 14, 2000, Jane Fukunaga made a contribution to Harris in the amount of \$2,000.
26. On or about September 14, 2000, Vivian Himuro, officer manger, made a contribution to Harris in the amount of \$3,000.
27. On or about August 6, 2001, Fukunaga made a contribution to Harris in the amount of \$2,000.
28. On or about August 6, 2001, Jon T. Muraoka made a contribution to Harris in the amount of \$4,000.
29. On or about August 3, 2001, Jon Nishimura made a contribution to Harris in the amount of \$4,000.

30. On or about November 8, 2001, Sara Muraoka made a contribution to Harris in the amount of \$2,000.
31. That contributions by Fukunaga, employees and family members to Harris in violation of section 11-202, HRS amounted to \$31,750.
32. That contributions by Fukunaga to Harris in excess of the contribution limit, for election period 1996-2000 amounts to \$17,750.
33. That contributions by Fukunaga to Harris in excess of the contribution limit, for the 2002 election period amounts to \$6,000.
34. That Fukunaga, employees and family members made contribution to Cayetano in the amount of \$4,500 in the 1994-1998 election period.
35. On or about April 28, 1997, Jane Fukunaga made a contribution to Cayetano in the amount of \$2,000.
36. On or about June 29, 1998, Jon T. Muraoka made a contribution to Cayetano in the amount of \$2,000.
37. On or about August 13, 1998, Cynthia Nishimura made a contribution Cayetano in the amount of \$250.
38. On or about August 13, 1998, Jon Nishimura made a contribution to Cayetano in the amount of \$250.

39. That contributions by Fukunaga, employees and family members to Cayetano in violation of section 11-202, HRS amounted to \$4,500.
40. That Fukunaga made contributions to the Hirono campaign in the amount of \$9,000 over two election periods.
41. That Fukunaga made contributions to the Apana campaign in the amount of \$3,000.
42. That Fukunaga make contributions to the Linda Lingle campaign in the amount of \$1,000.
43. That Fukunaga failed to file proper disclosure reports pursuant to sections 11-212 and 11-213, HRS.

VII. Settlement Terms

As final settlement of the matter and issues in Conciliation Agreement #03-02 Fukunaga understands and agrees to the following:

- (A) Fukunaga agrees to an assessment of **Twenty-Four Thousand Dollars (\$24,000)** pursuant to section 11-228, HRS.
- (B) The Commission finds that violations of sections 11-202 and 11-204, HRS may have occurred in contributions to the Harris and Cayetano campaigns.
- (C) The Commission alleges that such contributions were not reported pursuant to sections 11-212 and 11-213, HRS.

- (D) Notwithstanding all of the foregoing, nothing in this Agreement shall be deemed to constitute an admission by Fukunaga & Associates, Inc. and/or Royce S. Fukunaga.
- (E) Fukunaga agrees to comply with campaign finance statutes on contribution and expenditures to candidate committees.
- (F) Terms of payment of the assessment shall be by Order of the Commission.

- VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.
- IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.
- X. This Agreement constitutes the entire agreement between the Commission and Fukunaga on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.

XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

FOR THE COMMISSION:

Robert Y. Watada, Executive Director

By: _____

Date: _____

BY THE RESPONDENT:

Fukunaga & Associates and
Royce S. Fukunaga

By: _____

Name/Title

Date: _____